GOVERNMENT OF INDIA
PLANNING
LOK SABHA

UNSTARRED QUESTION NO:253
ANSWERED ON:27.02.2008
SCRAPPING OF AICTE
Botcha Lakshmi Smt. Jhansi;Mcleod Smt. Ingrid

Will the Minister of PLANNING be pleased to state:

(a) whether the National Knowledge Commission has recommended the scrapping of the All India Council for Technical Education (AICTE)

(b) if so, the details thereof and the reasons therefor;

(c) whether the Government has considered the report;

(d) if so, the proposed action to implement the recommendations; and

(e) if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI M.V.RAJASEKHARAN)

(a): Yes Sir.

(b): The relevant extract from the recommendations of the National Knowledge Commission is annexed which gives reasons therefor.

(c) to (e): The recommendation is under examination.

Annexure referred to in parts (a) to e) of Lok Sabha USQ No. 253 to be answered on 27.2.2008

Extracts from the recommendations of National Knowledge Commission on Higher Education − Compilation of Recommendations on Education

Section 4. REGULATION

There is a clear need to establish an Independent Regulatory Authority for Higher Education (IRAHE). Such a regulatory authority is both necessary and desirable.

It is necessary for two important reasons. First, in India, it requires an Act of Legislature of Parliament to set up a University. The deemed university route is much too difficult for new institutions. Entry through legislation alone, as at present, is a formidable barrier. The consequence is a steady increase in the average size of existing universities with a steady deterioration in their quality. The absence of competition only compounds problems. Second, as we seek to expand the higher education system, entry norms will be needed for private institutions and public-private partnerships. The institutional framework for this purpose must be put in place here and now.

It is desirable for four important reasons. First, it would minimise conflicts of interest as it would create an arm's-length distance from stakeholders. Second, it would replace the present system which is over-regulated but under-governed, through more appropriate forms of intervention. Third, it would rationalize the existing system where mandates are both confusing and overlapping. Fourth, it would dispense with the multiplicity of regulatory agencies to provide a single-window clearance.

The present regulatory system in higher education is flawed in many respects. The barriers to entry are too high. The system of authorizing entry is cumbersome. And there are extensive rules after entry, as the UGC seeks to regulate almost every aspect of an institution from fees to curriculum. The system is also based on patently irrational principles. The UGC Act section 3.1.2(a) suggests that permission for receiving grants will be accorded only if the Commission is satisfied that the existing institutions in the state are not adequate to serve the needs of the state. The other regulators, say in the sphere of professional education, are often inconsistent in their adherence to principles. There are several instances where an engineering college or a business school is approved, promptly, in a small house of a metropolitan suburb without the requisite teachers, infrastructure or facilities, but established universities experience difficulties in obtaining similar approvals. Such examples can be multiplied. These would only confirm that the complexity, the multiplicity and the rigidity of the existing regulatory structure is not conducive to the expansion of higher education opportunities in India.

In sum, the existing regulatory framework constrains the supply of good institutions, excessively regulates existing institutions in the wrong places, and is not conducive to innovation or creativity in higher education. The challenge is therefore to design a regulatory system that increases the supply of good institutions and fosters accountability in those institutions. An independent regulator has to be the cornerstone of such a system.

The proposed IRAHE will rationalize the principles on which entry is regulated. There are two aspects to this rationalization: what is to be regulated and what are the principles used for regulation.

In higher education, regulators perform five functions:
(1) Entry: licence to grant degrees.

(2) Accreditation: quality benchmarking.

(3) Disbursement of public funds.

(4) Access: fees or affirmative action.

(5) Licence: to practice profession.

India is perhaps the only country in the world where regulation in 4 of the 5 functions is carried out by one entity, that is, the UGC. The purpose of creating an IRAHE is to separate these functions. The proposed IRAHE shall be responsible for setting the criteria and deciding on entry. It would, in addition, license agencies to take care of accreditation. The role of the UGC will be limited to disbursing public funds. Issues of access will be governed by state legislation on reservations and other forms of affirmative action. And, professional associations may, in some institutions, set requirements to determine eligibility for conducting a profession. All other regulatory agencies such as the AICTE will need to be abolished while the MCI and the BCI will be limited to their role as professional associations. These professional associations could conduct nationwide examinations to provide licences for those wishing to enter the profession.

The second aspect of regulation is the principle used to regulate. The IRAHE will determine eligibility for setting up a new institution based on transparent criteria rather than discretionary controls. Its main role would be to exercise due diligence at the point it approves a licence to grant degrees. In doing so, it would assess the academic credibility and the financial viability of the proposed institution on the basis of information submitted in accordance with the stipulated criteria. It will apply exactly the same norms to public and private institutions, just as it will apply the same norms to domestic and international institutions.

The IRAHE would be constituted as follows. It would have a Chairperson and six Members. The tenure of the Chairperson would be six years. The tenure of the Members would also be six years. One-third of the Members of the Authority will retire every two years. The Chairperson would be a distinguished academic from any discipline with experience of governance in higher education. The Members would be distinguished academics drawn from the following sets of disciplines: physical sciences, life sciences, social sciences, humanities and professional subjects such as engineering, medicine, law or management. The IRAHE could have some part-time members or standing committees drawn from academia to advise the Authority in each of the aforesaid sets of disciplines. The Chairperson and the Members of the IRAHE would be appointed by the Prime Minister based on the recommendations of a Search Committee.

The IRAHE would have to be established by an Act of Parliament. It would be the only agency that would be authorized to accord degree granting power to higher education institutions. It would also be responsible for monitoring standards and settling disputes. It should also be thought of as the authority for licensing accreditation agencies. The IRAHE must be at an arm's-length from the government and independent of all stakeholders including the concerned Ministries of the Government. The Acts of the UGC, AICTE, MCI and BCI would have to be amended. The role of the UGC would be re-defined to focus on the disbursement of grants to, and maintenance of, public institutions in higher education. The entry regulatory functions of the AICTE, the MCI and the BCI would be performed by the IRAHE, so that their role would be limited to that of professional associations. These professional associations could conduct nationwide examinations to provide licenses for those wishing to enter the profession.